# PROPOSED 1 MILL COUNTYWIDE AD VALOREM TAX

### **GULF SHORES FAQ'S**

#### 1. WHAT TYPES OF EDUCATION-RELATED AD VALOREM TAXES DO I CURRENTLY PAY?

There are currently two types of education-related ad valorem taxes levied in Baldwin County -- Countywide and District.

#### 2. HOW ARE COUNTY AD VALOREM TAXES DISTRIBUTED AMONGST PUBLIC SCHOOLS?

<u>COUNTYWIDE AD VALOREM TAXES</u> are paid by all property owners in the county. Revenues are redistributed to public schools in the county based on each school's percentage of the countywide student enrollment <u>regardless of how much each individual community pays into the tax.</u> This is essentially the local version of the State's Equity Funding or Chargeback system.

<u>DISTRICT AD VALOREM TAXES</u> are paid by only the property owners within the district. <u>All revenues</u> generated by District taxes remain within that district to benefit its schools.

#### 3. WHICH TYPE OF AD VALOREM TAX IS ON THE DECEMBER 12 BALLOT?

**Countywide ad valorem tax** 

#### 4. HOW MUCH DO GULF SHORES PROPERTY OWNERS PAY TOWARDS THIS TAX?

The taxes paid by Gulf Shores property owners account for approximately 15% or \$600,000 of the total revenue generated by the 1 mill Countywide ad valorem tax.

## 5. HOW MUCH REVENUE WOULD GULF SHORES CITY SCHOOLS RECEIVE FROM THIS TAX COMPARED TO IF IT WERE A DISTRICT TAX?

Countywide Tax vs District Tax			
Type of Tax	\$\$ paid by Gulf Shores	\$\$ to Gulf Shores Schools	% to Gulf Shores Schools
Countywide	+/- \$600,000	+/- \$200,000	+/- 33.3%
District	+/- \$600,000	+/- \$600,000	+/- 100%

<sup>\*</sup> Revenue estimates based on projected enrollment of students living within the corporate limits of Gulf Shores

## 6. WAS REVENUE FROM THIS TAX INCLUDED IN THE FINANCIAL ANALYSIS FOR GULF SHORES CITY SCHOOLS?

No, this tax was specifically excluded from revenue projections in the Gulf Shores City Schools financial analysis due to the uncertainty of it being approved by voters.